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T I R E

R E C Y C L I N G

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Tire Recycling  
Management  
Board

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**Tire Recycling  
Management  
Board**

TIRE RECYCLING MANAGEMENT BOARD

P.O. Box 189

EDMONTON, AB T5J 2J1

TELEPHONE: (403) 990-1111

FACSIMILE: (403) 990-1122

EMAIL: [trmb@agt.net](mailto:trmb@agt.net)





The Honourable Ty Lund  
Minister of Environment Protection  
323 Legislative Building  
Edmonton, AB T5K 2B6

Dear Hon. Lund:

On behalf of the Board, I enclose the Annual Report for the year 1995/96 for the Tire Recycling Management Board, in accordance with section 18 of the *Tire Recycling Management Board Bylaw* (Alta. Reg. 257/92).

The Report covers the period from April 1, 1995 to March 31, 1996.

Yours truly,

A handwritten signature in black ink, appearing to read 'Ken Albrecht', with a large, stylized flourish at the end.

Ken Albrecht  
Chairman  
Tire Recycling Management Board



## INTRODUCTION

The scrap tire recycling industry took major strides in Alberta in 1995/96, surpassing a significant milestone when new uses were found for more tires than were discarded. Albertans throw away over 2.1 million scrap tires every year. In 1995/96, the equivalent of over 2.6 million tires were processed and recycled in the province.

That brings the total number of tires in Alberta removed from landfills and recycled since 1993 to 3.6 million.

By processing more tires than are discarded, the industry has turned a crucial corner in its efforts to find solutions for Alberta's scrap tires. Recyclers are now beginning to dig into the stockpiles of tires that have built up over the years in Alberta's landfills. In addition to the over 2.1 million tires disposed of annually, it is estimated there are up to four million tires laying in landfills across the province and another 14 million in use on vehicles on Alberta highways.

Scrap tires create a number of problems, take up large amounts of space and pose a significant health and fire hazard. Finding alternative uses for scrap tires aids in solving these problems and contribute to the reduction of the waste stream, an important element in the Government's core business of preservation.

When the Tire Recycling Management Board (TRMB) was formed in July 1992 to find solutions for scrap tires, viable solutions in Alberta were virtually non-existent. Since that time, an inventive, diversified industry has developed with innovative, made-in-Alberta solutions being found for the scrap tire material, particularly in civil engineering applications.

Over 40 percent of the recycled tires in Alberta, are used in Alberta, while the remainder is exported, primarily to U.S. markets. In Alberta, scrap tire material is increasingly being used in value-added applications that benefit from the performance characteristics of tire material, such as improved drainage, better frost insulation and lightweight fill. The largest project involved using tire shred material as an integral part of the leachate collection system in a state-of-the-art regional landfill built southeast of Edmonton.

Alberta's successes are built on partnerships - the result of the cooperative efforts of people from all across the province. The TRMB works hand-in-hand with not only the processors of scrap tires, but also with tire dealers, automotive dealers, local governments, waste authorities, health boards and landfill operators to aid in the development of a viable system to address the problems of scrap tires. The cooperation of these stakeholders has ensured the continuing growth of productive, market-based, common sense solutions to Alberta's scrap tire management challenge.

The Board's fundamental objective has been to encourage the development of a diversified, market-based scrap tire recycling industry that is environmentally and economically sustainable and capable of handling all of the tires Albertans discard annually. To achieve this, funding is provided as an incentive based upon results — the amount of material recycled and sold. There are no up-front subsidies or business financing. In this way, the Board ensures that the money is properly managed and used only for intended results.

Progressing towards these goals will strengthen the province's recycling industry as a whole and help attain the Government of Alberta's goal of reducing the amount of solid waste entering landfills in the province by 50 percent by the year 2000 through its Action on Waste program.





## LEGISLATIVE MANDATE

The objectives of the TRMB are set out in section 4 of the Tire Recycling and Management (241/93) Regulation of the Environmental Protection and Enhancement Act:

- ~ to establish and administer a scrap tire waste minimization and recycling program for Alberta in accordance with sound environmental principles;
- ~ to provide for the effective, efficient and economical management of scrap tires, including using scrap tires as fuel; and
- ~ to administer the Tire Recycling and Management Fund.

The TRMB represents an innovative approach to solving the environmental challenge of scrap tires:

- ~ funded by tire consumers, through the retail tire industry;
- ~ revenues are held in a dedicated fund, managed by a stakeholder board;
- ~ solutions are delivered through the marketplace with funding provided on a pay-for-performance basis.

Management of such funds is spelled out in section 165(1) of the Act, which states that the Tire Recycling and Management Fund shall be used to provide or pay for any or all of the following:

- ~ establishing and administering a waste minimization and recycling program for designated material;
- ~ education programs for the purpose of the waste minimization and recycling program;
- ~ expenditures incurred in the collection, transportation, storage, processing and disposal of the designated material for the purposes of the waste minimization and recycling program;
- ~ research and development activities related to waste minimization and recycling in respect of the designated material;
- ~ promotion and development for marketing the products resulting from recycling the designated material.

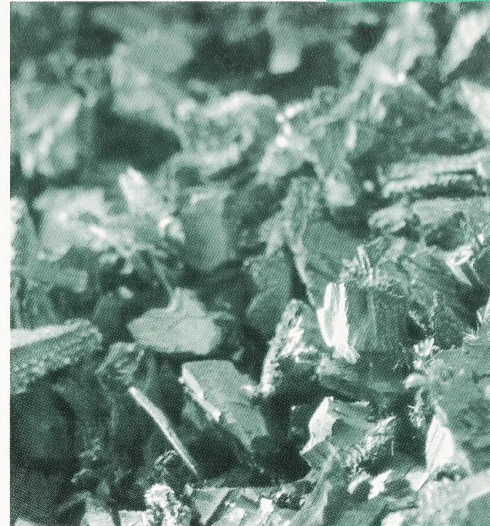
## VISION

To be a model for innovative, responsible solutions to manage solid waste resources.

## MISSION

To responsibly steward scrap tire resources for the best interests of Albertans:

- ~ Building proactive partnerships;
- ~ Developing economical and environmentally sound strategies;
- ~ Implementing those strategies in an efficient and effective manner.



## SCRAP TIRE MANAGEMENT PLAN

Based on the 4 R's of waste management - Reduce, Reuse, Recycle and Recover - the TRMB has advanced a comprehensive plan to address the management of scrap tire resources in the province:

- ~ Reducing consumption of tires - achieved by increasing consumer awareness of the benefit of proper tire maintenance.
- ~ Reusing tires - retreading and resale are established market solutions.
- ~ Recycling tire material - the primary focus of the TRMB's current funding initiatives.
- ~ Recovering energy from scrap tires - Alberta's 'backstop' strategy as the tire recycling industry grows.

The short-term goal of the scrap tire management strategy has been to develop immediate processing capacity to remove tires from the waste stream, easing the burden on landfills and reducing Alberta's tire stockpiles.

The long-term goal is to encourage the development of an innovative tire recycling industry that creates a demand for scrap tires, gives them value, and develops sustainable markets. The ultimate objective of the TRMB strategy is a strong, diversified industry capable of using all of Alberta's scrap tires, so that the surcharge can be reduced and eventually eliminated.

Since 1993, there has been a rapid evolution in Alberta's tire recycling industry. The TRMB has responded with a multi-faceted program to provide support to Alberta recyclers. The Alberta Tire Recycling Opportunities Program is a \$13 million, three-year commitment directed towards the advancement of the industry in Alberta. This program has been developed in accordance with the TRMB's funding strategy of responding to and reinforcing changes in the industry and markets, rather than using the funding to direct the industry in some pre-determined way.

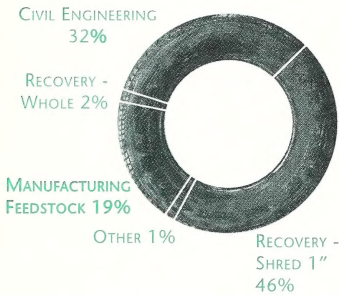
The program is divided into two components - developmental and processing support:

- ~ Developmental support is offered in three ways - research and development; technology upgrading and business development.
- ~ Incentives are offered to recyclers in Alberta after scrap tires are recycled or processed, either as whole tires, fabricated products, shredded or crumbed tires or recovery-based processes. There are specified incentive rates for each level of processing. There are additional incentives to encourage made-in-Alberta uses for recycled material; to help offset collection costs; and to offset costs of accessing export markets for material not used in Alberta. All incentives are performance-based, made upon the bona-fide sale to an approved end use.

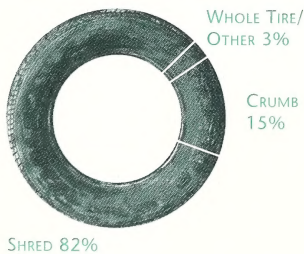
The success of these initiatives are found in the number of tires processed, 2.6 million in 1995-96. That number is expected to rise again in 1996-97 to over 3.0 million.

Finally, the TRMB does not regulate the ownership, control or use of scrap tires, nor can it guarantee a supply of tires to recyclers or encroach on the waste management responsibilities of local municipal authorities.

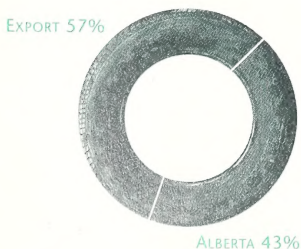
### USES OF TIRE MATERIAL



### PROCESSED TIRE MATERIAL



### MARKETS FOR TIRE MATERIAL





## PROGRESS IN 1995/96

- ~ Alberta's scrap tire recycling industry processed more tires than were discarded in 1995/96 - 2.6 million.
- ~ The tire recycling industry expanded to include five primary (shred) processors, two of which further process the shred into higher value rubber crumb, and two more companies that process the crumb into recycled rubber products.
- ~ Made-in-Alberta uses reduced the province's reliance on export markets - approximately 800,000 tires that otherwise would have been exported have been used in new civil engineering projects. The largest project involved using shredded tires as an integral part of a leachate collection system in a state-of-the-art regional landfill.
- ~ One million tires were processed from the City of Calgary's Shepard landfill, the province's largest stockpile of tires.

## 1995/96 BUSINESS PLAN RESULTS

*Provide funding to the scrap tire processing and recycling industry, for scrap tire material processed and used in an environmentally acceptable manner.*

### GOAL #1

Process and use the volume of tires discarded annually by Albertans: <sup>1</sup>

1999 target	100% (2.47 million PTEs)
1996 results	109% (2.68 million PTEs)
1995 benchmark	23% (566,000 PTEs)

### GOAL #2

Maximize the amount of scrap tire material that is used as recycled rubber:

1999 target	70% (1.73 million PTEs)
1996 results	53% (1.41 million PTEs)
1995 benchmark	44% (0.25 million PTEs)

### GOAL #3

Maximize the amount of scrap tire material that is used in Alberta:

1999 target	50% (1.24 million PTEs)
1996 results	43% (1.15 million PTEs) <sup>2</sup>
1995 benchmark	68% (0.38 million PTEs)

*Find efficient, effective and economic solutions to the scrap tire backlog.*

### GOAL #4

Reduce the backlog of scrap tires discarded but not processed:

1999 target	50% (3.0 million PTEs) <sup>3</sup>
1996 results	33% (4.0 million PTEs)
1995 benchmark	0% (6.0 million PTEs)



#### GOAL #5

Collect tires from all municipalities on an equitable basis:

1999 target	ratios amongst municipal regions are consistent
1996 results	municipal inflow and outflow data developed, refined
1995 benchmark	not yet available

*Effectively manage resources to fulfill the TRMB's mandate.*

#### GOAL #6

Ensure that Advance Disposal Surcharge revenues are collected from consumers and remitted by tire sellers:

1999 target	96% of estimated total revenue owing
1996 results	92%
1995 benchmark	90%

#### GOAL #7

Achieve maximum efficiency in the cost of delivering TRMB core businesses: <sup>4</sup>

1999 target	5% of total expenditures
1996 results	8%
1995 benchmark	13%

#### GOAL #8

Ensure there will be sufficient revenues to process all eligible tires in Alberta: <sup>5</sup>

1999 target	100%
1996 results	56%
1995 benchmark	45%

#### GOAL #9

Develop a financially sound timetable to reduce the Advance Disposal Surcharge:

1999 target	projected timetable defined
1996 results	benchmarks for per tire cost projections, total scrap tire volumes estimates, processing capacity and costs
1995 benchmark	not applicable

#### FOOTNOTES:

- <sup>1</sup> Numbers changed from "tires" to "PTEs", e.g. previously, the 1999 target was stated as 2.15 million "tires".
- <sup>2</sup> From 1995 to 1996, the actual amount of tire material used in Alberta increased three-fold (0.38 million to 1.15 million) while the percentage decreased (60% to 43%).
- <sup>3</sup> The estimate of total PTEs in stockpiles was corrected from 9 million to 6 million, therefore the 1999 target of 50% represents 3.0 million PTEs (previously 4.5 million PTEs).
- <sup>4</sup> Performance measure changed from "total expenditures per tire processed" to administration costs as a percent of total expenditures.
- <sup>5</sup> Goal changed to "all eligible tires" from "unfunded tires".



## BOARD MEMBERS

The ten members of the Tire Recycling Management Board are nominated by stakeholder organizations and appointed by the Alberta Cabinet upon the recommendation of the Minister of Environmental Protection. The members of the 1995/96 Board were:

Alberta Association of Municipal Districts and Counties

**Bruce Willerton**, term commenced August 1, 1995 - Wainwright.

**Vince Fabian**, term ended August 1, 1995 - Tilley.

Alberta Environmental Protection

**Bruce Taylor**, term commenced August 1, 1995 - Edmonton.

**Jake Thiessen**, term ended August 1, 1995 - Edmonton.

Alberta Trucking Association

**Ken Albrecht**, elected Chairman in September 1995 - Peers.

*(formerly served as a representative of the Rural and Improvement Districts Association of Alberta)*

Alberta Urban Municipalities Association

**Lorne Olsvik** - Onoway.

Association of Professional Engineers, Geologists and Geophysicists of Alberta

**Ken Teare**, past Chairman - Calgary.

Environmental Services Association of Alberta

**Merv Domanko**, term commenced August 1, 1995 - Camrose.

**Sandy Sutton**, term ended August 1, 1995 - Edmonton.

Motor Dealers Association of Alberta

**Jim Kallal** - Tofield.

Recycling Council of Alberta

**Grant Harrington** - Lethbridge.

Toxics Watch Society of Alberta

**Dan Smith** - Calgary.

Western Canadian Tire Dealers and Retreaders Association.

**Roger Ambrosie**, Secretary - Edmonton.



### ADVANCE DISPOSAL SURCHARGE AND PROCESSING RESERVE

The Advance Disposal Surcharge of \$4.00 per tire was collected on approximately 2.2 million new tires sold in Alberta during the fiscal year ended March 31, 1996, for total Advance Disposal Surcharge revenues of \$8,843,474.

The Tire Recycling and Management Fund ensures there are sufficient monies to deal with all scrap tires in the province, including those still in use on which the \$4 Advance Disposal Surcharge was paid, plus those sold before the surcharge was implemented.

There are, in total, approximately 18 million eligible tires (14 million on the road, four million in stockpiles) currently in Alberta that will have to be recycled. It is estimated that, at an average processing cost of \$2.50 per tire, over \$40 million will be required to deal with these tires. At year end, the Fund balance is \$21 million.

### LOOKING TO THE FUTURE

The scrap tire processing industry in Alberta has gone from a dream to a reality in less than four years after the formation of the Tire Recycling Management Board in 1992. Tires are increasingly being actively collected from landfills, and tire dealers by processors who have started the process of turning what was once nothing more than waste into a valuable resource.

The future for scrap tire recycling in the province looks bright. Future directions of the TRMB will include:

- ~ programs to increase awareness of the need to properly maintain tires on the road, thereby extending their life and keeping them out of the waste stream for a longer period;
- ~ increasing the amount of tire material used in Alberta, including the manufacturing of products made from tire material;
- ~ continued partnerships with key stakeholder groups and association;
- ~ ensuring scrap tires move consistently from throughout all regions of the province;
- ~ monitoring the development of the industry to ensure the province's strategy meets current needs; and
- ~ ensuring the \$4 Advance Disposal Surcharge collected on the sale from every new tire sold in Alberta intended for highway use is used as intended.

The ultimate goal of the TRMB continues to be to aid in the development of an economically and environmentally sustainable tire recycling industry that creates a demand for tires and thus gives them value. The benefits of staying that course are beginning to be seen.







ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the Tire Recycling Management Board

I have audited the balance sheet of the Tire Recycling Management Board as at March 31, 1996 and the statements of revenue, expense and surplus and changes in financial position for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 1996 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

*Peter Valentini*

FCA

Auditor General

Edmonton, Alberta

May 31, 1996

# TIRE RECYCLING MANAGEMENT BOARD

## BALANCE SHEET AS AT MARCH 31, 1996

### ASSETS

	1996	1995
Current:		
Cash	\$20,246,145	\$16,000,921
Accounts receivable and prepayments (Note 5)	1,277,447	1,172,345
	21,523,592	17,173,266
Capital (Note 3)	53,395	61,051
	\$21,576,987	\$ 17,234,317

### LIABILITIES AND PROCESSING RESERVE

Current:		
Payable to recyclers	\$ 808,816	\$ 179,944
Accounts payable	201,967	123,976
	1,010,783	303,920
Processing reserve (Note 4)	20,566,204	16,730,397
Surplus (Note 4)	—	200,000
	\$ 21,576,987	\$ 17,234,317

The accompanying notes are part of these financial statements.



TIRE RECYCLING MANAGEMENT BOARD

STATEMENT OF REVENUE, EXPENSE AND SURPLUS  
FOR THE YEAR ENDED MARCH 31, 1996

	1996		1995
	Budget	Actual	Actual
	(Note 9)		
Revenue:			
Advance disposal surcharges (Note 5)	\$8,400,000	\$8,843,474	\$8,789,644
Interest	726,000	1,259,110	759,365
	<u>9,126,000</u>	<u>10,102,584</u>	<u>9,549,009</u>
Expense:			
Program:			
Payments to recyclers (Note 7)	7,203,750	5,232,987	1,362,271
Surcharge collection costs (Note 6)	250,000	189,330	244,563
Recycling development (Note 7)	1,315,000	217,265	49,260
	<u>8,768,750</u>	<u>5,639,582</u>	<u>1,656,094</u>
Administration:			
Staff and contracted			
services compensation (Note 6)	260,500	248,975	204,064
Developmental consulting services	100,000	116,105	202,892
Board expenses (Note 6)	168,500	164,906	191,193
Legal and audit services	100,000	139,718	135,483
Office support	82,000	119,188	87,620
Communication services	65,000	17,046	83,914
Amortization	19,500	18,654	21,956
Bad debts	—	2,603	10,274
	<u>795,500</u>	<u>827,195</u>	<u>937,396</u>
Total expense	<u>9,564,250</u>	<u>6,466,777</u>	<u>2,593,490</u>
Excess (deficiency) of revenue over expense	<u>\$ (438,250)</u>	3,635,807	6,955,519
Surplus at beginning of year (Note 4)		<u>200,000</u>	<u>200,000</u>
		3,835,807	7,155,519
Transfer to processing reserve (Note 4)		<u>3,835,807</u>	<u>6,955,519</u>
Surplus at end of year		<u>\$ —</u>	<u>\$ 200,000</u>

# TIRE RECYCLING MANAGEMENT BOARD

## STATEMENT OF CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED MARCH 31, 1996

	1996	1995
Operating activities:		
Excess of revenue over expense	\$ 3,635,807	\$ 6,955,519
Non-cash charges:		
Amortization	18,654	21,956
	3,654,461	6,977,475
Changes in non-cash working capital items:		
(Increase) decrease in accounts receivable and prepayments	(105,102)	167,427
Increase (decrease) in payable to recyclers	628,872	(299,335)
Increase in accounts payable	77,991	49,307
	4,256,222	6,894,874
Investing activities:		
Acquisition of capital assets	(10,998)	(11,157)
Increase in cash	4,245,224	6,883,717
Cash at beginning of year	16,000,921	9,117,204
Cash at end of year	\$20,246,145	\$16,000,921



## TIRE RECYCLING MANAGEMENT BOARD

### NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 1996

#### Note 1 Authority and Purpose

The Tire Recycling Management Board (the "Board") operates under the authority of the Environmental Protection and Enhancement Act, Chapter E-13.3, Statutes of Alberta, 1992, pursuant to the Tire Recycling and Management Regulation, Alberta Regulation 249/92, as amended.

The purpose of the Board is to administer the Tire Recycling and Management Fund to provide for the effective, efficient and economical waste minimization and recycling of scrap tires in accordance with sound environmental principles.

#### Note 2 Summary of Significant Accounting Policies and Reporting Practices

##### Capital Assets

Capital assets are recorded at cost less accumulated amortization. Amortization is recorded on the declining balance basis over the estimated useful lives of the assets at the following annual rates:

Computer equipment and software	30%
Furniture and fixtures	20%

#### Note 3 Capital Assets

	1996		1995	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment and software	\$110,528	\$68,408	\$42,120	\$48,728
Furniture and fixtures	18,112	6,837	11,275	12,323
	\$128,640	\$75,245	\$53,395	\$61,051

## **TIRE RECYCLING MANAGEMENT BOARD**

### **NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 1996**

#### **Note 4 Processing Reserve**

The processing reserve has been established to fulfill the Board's commitment to ensure that sufficient funds are available to process all eligible tires when they enter the scrap tire system. The reserve will be used to fund the future costs of recycling activities for tires on which the surcharge has been collected and are not yet discarded, as well as tires that were sold before the surcharge was levied in September 1992.

During the year, the Board decided that any excess of revenue over expense each year will be allocated fully to the processing reserve. Previously, a surplus of \$200,000 was maintained.

#### **Note 5 Collection of Advance Disposal Surcharges**

The legislation requires the Province's tire retailers, including automotive dealerships, to remit to the Board an advance disposal surcharge on each tire sold. To determine whether tire retailers are remitting the surcharge as required by legislation, the Board performs compliance reviews of the records of a selection of retailers. Based on these reviews, management estimates that retailers did not report and remit surcharges during the year ended March 31, 1996 of about \$270,000 (1995 \$365,000). This represents approximately 3% (1995 4%) of surcharges collectible. In management's view, the cost of identifying and collecting most or all of this unreported surcharge would exceed the additional amount that would be collected.

Included in accounts receivable and prepayments is an amount of \$417,695 (1995 \$345,107) being management's estimate of advanced disposal surcharges collected by retailers but not reported to the Board by the date that these financial statements were finalized. The estimate is a product of average monthly remittances and the number of months not reported, discounted for uncollectible amounts. The actual amount ultimately collected could be significantly greater or less than the amount estimated.



# TIRE RECYCLING MANAGEMENT BOARD

## NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 1996

### Note 6 Compensation

	1996				1995	
	Number of Individuals	Salary	Benefits	Total	Number of Individuals	Total
Board compensation <sup>(1)</sup>						
Chairman of the Board <sup>(2)</sup>	1	\$ 23,260	\$ 639	\$ 23,899	1	\$ 17,040
Board members <sup>(2)</sup>						
(average 1996 \$ 9,756, 1995 \$12,496)	9	76,218	1,828	78,046	9	99,964
		\$ 99,478	\$2,467	101,945		117,004
Staff compensation						
Executive Director <sup>(3)</sup>	1	84,000	3,500	87,500	—	—
Non-salaried <sup>(3)</sup>						
(average 1996 \$26,126)	3	75,014	3,364	78,378	—	—
Contracted services compensation <sup>(4)</sup>						
Executive Director	—			—	1	85,140
Chief Financial Officer	1	75,000	—	75,000	1	75,000
Other full-time staff						
(average 1996 \$34,530, 1995 \$35,981)	3	103,589	—	103,589	4	143,924
Total staff and contracted services compensation		337,603	6,864	344,467		304,064
		\$437,081	\$9,331	\$446,412		\$421,068

<sup>(1)</sup> One Board member is a Provincial Government employee and therefore does not receive compensation. The Board expenses figure shown on the statement of revenue, expense and surplus includes the \$101,945 as reported above, together with reimbursements for travel expenses and other Board meeting expenses.

<sup>(2)</sup> Benefits consist of the Board's share of Canada Pension Plan contribution.

<sup>(3)</sup> Benefits consist of Board's share of Canada Pension Plan and Unemployment Insurance Contribution.

<sup>(4)</sup> These services are provided to the Board under short-term contracts. The amounts shown are the salary and benefit equivalent.

<sup>(5)</sup> Staff and contracted services compensation of \$344,467 is recorded as part of the Staff and contracted services compensation and the Surcharge collection costs expense categories reported on the statement of revenue, expense and surplus.

## **TIRE RECYCLING MANAGEMENT BOARD**

### **NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 1996**

#### **Note 7 Commitments**

In March 1994, the Board entered into a five-year contract with a private sector company, Alberta Environmental Rubber Products Inc. (AERPI) to collect and recycle up to 6,500 tonnes of medium truck tires collected from the northern part of Alberta, based on a processing fee of \$250 per tonne of scrap tires processed and sold as recycled rubber crumb or product. In January 1995, because inadequate volumes of medium truck tires were available in the designated area, the geographic restriction was removed to allow AERPI to collect medium truck tires from throughout Alberta.

In January 1995, the Board entered into an agreement, renewable annually by the Board, with AERPI to collect and process up to 3,500 tonnes of scrap passenger and light truck tires collected from the northern part of Alberta, based on a collection and processing fee of \$250 per tonne processed and sold as recycled rubber crumb, or \$215 per tonne processed and sold as recycled rubber shred. The Board has notified AERPI that the contract will not be renewed after February 1997.

In September 1994, the Board entered into a five and a half year agreement with a private sector company, Inland Cement Limited, to process 6,250 tonnes of scrap passenger and light truck tires based on a collection and processing fee of \$223 per tonne of scrap tire, for the purpose of scrap tire waste minimization and recycling, including the use of scrap tires as fuel. The Board has entered into discussions with Inland Cement Limited with respect to an early expiry of the agreement with effect from July 1996.

In September 1994, the Board announced a Recycling Opportunity Program and committed \$1 million annually over three years for a series of support programs designed to increase the commercial possibilities and competitiveness of Alberta's emerging tire recycling industry.

In December 1994, the Board also announced a Recycling Industry Incentives Program and committed \$10 million over a three year period for a per-tire incentive to Alberta businesses which process and sell recycled rubber products.

#### **Note 8 Comparative Figures**

Certain 1995 figures have been reclassified to conform to 1996 presentation.

#### **Note 9 Budget**

The 1996 budget was approved by the Board on March 17, 1995 and is presented for comparison with the 1996 actual figures.

#### **Note 10 Approval of Financial Statements**

These financial statements were approved by the Board.





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**Tire Recycling  
Management  
Board**



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